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Division of Health Care Finance and Policy  
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## **NOTICE OF PUBLIC HEARING**

Pursuant to the provisions of M.G.L. c. 118G and in accordance with M.G.L. c. 30A, as amended, the Division of Health Care Finance and Policy will hold a public hearing on Wednesday, April 8, 2009, at 10:00 AM at Two Boylston Street, Boston, MA 02116 relative to the adoption of:

### **114.4 CMR 10.00: Competitive Integrated Employment Services**

The proposed regulation governs payment rates effective July 1, 2009 for Competitive Integrated Employment Services (CIES) provided to publicly-assisted clients. These services support clients to obtain and retain competitive employment and will be furnished under an Executive Office of Health and Human Services (EOHHS) procurement and Master Agreement (MA). Providers qualified to provide CIES under the MA will contract separately with EOHHS agencies to deliver services. Employment services are currently provided under separate procurements and contracts, with different program requirements and different payment levels established by each purchasing agency. The proposed regulation establishes standardized payments for the program requirements defined in the EOHHS procurement.

The regulation establishes five separate service components that reflect program milestones from initial intake and assessment through ongoing support services to maintain stable employment. For the first four service components, providers will be receiving a total payment per completed component. There are two options for payment for each component: Level A and Level B. Clients who participate in a Level B program typically need roughly two and a half times the staff support of those participating in a Level A program. The proposed payments for the first four Components are:

- (1) Intake, Evaluation and Assessment - Level A: \$355; Level B: \$762
- (2) Job Focused Skill Development/Educational Activities - Level A: \$759 Level; Level B \$2,078
- (3) Job Development and Placement - Level A: \$1,294; Level B: \$4,189
- (4) Initial Placement Supports - Level A: \$469; Level B: \$1,494

Providers will be required to submit documentation upon initiation and completion of each component through the Enterprise Invoice Management Service. For the first four components, the purchasing agency will pay a percentage of the total payment per completed component upon initiation of the component, with the remainder paid upon completion of that component. The payment for the fifth service component, Ongoing and Interim Supports, is \$32.18 per hour. For the period from July 1, 2009 through June 30, 2010, for the first four components, a purchasing agency may elect to pay on an hourly rate basis rather than use the total payment per component method. The hourly payments are \$14.47 per hour for Level 1 (staff/client ratio is 1:2 or greater) and \$32.18 per hour for Level 2 (staff/client ratio is 1:1).

The payment rates were established using fiscal years 2006 and 2007 cost data from Uniform Financial Reports, a Cost and Utilization Survey in which 52 providers participated, and purchasing agency information about program enrollment and spending. The proposed rates for each component are calculated by adjusting a direct care salary benchmark of \$28,265 by the full time equivalent employee needed to complete that component for one client. This amount is divided by .47443 to reflect additional non-direct care wage program costs. The proposed hourly rates are calculated by dividing the \$28,625 salary benchmark by 1875 hours, the estimated total available service hours. This figure is adjusted to reflect the expected staff to client ratio and divided by .47443 to reflect non-direct care wage program costs.

The Division is proposing this regulation to standardize the payment mechanism among agencies, and to establish common program milestones. The fiscal impact of the proposed standardized payments on purchasing agencies and providers will vary because of the current variation in payments by the purchasing agencies. It is anticipated that purchasing agencies will align service volume with available funding. There is no fiscal impact on cities and towns.

Interested parties are encouraged to submit comments on these amendments. All persons desiring to be heard on this matter are hereby notified to appear at the designated time and place. Persons intending to speak will be afforded an early opportunity to testify if the Division receives notice by 5 PM on April 7, 2009. All others will be heard subsequently. Written comments may be sent to Two Boylston Street, Boston MA 02116. Copies of the regulation are available for inspection and/or purchase at the Division of Health Care Finance and Policy, Two Boylston Street, Boston MA 02116 or you can access them free of charge in the Regulations section of the Division's web site located at [www.mass.gov/dhcfp](http://www.mass.gov/dhcfp).